

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SECURITIES AND EXCHANGE COMMISSION, Case No. 15-1429RAJ

Plaintiff,

v.

SUMMIT ASSET STRATEGIES INVESTMENT
MANAGEMENT, LLC, SUMMIT ASSET
STRATEGIES WEALTH MANAGEMENT, LLC,
and CHRIS YOO,

Defendants.

~~{PROPOSED}~~ FINAL JUDGMENT AS TO
ALL DEFENDANTS

The Securities and Exchange Commission having filed a Complaint and Defendants Summit Asset Strategies Investment Management, LLC (“Investment Management”), Summit Asset Strategies Wealth Management, LLC (“Wealth Management”), and Chris Yoo (“Yoo”) (collectively, “Defendants”) having entered a general appearance; consented to the Court’s jurisdiction over Defendants and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph IX); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Investment Management and Defendant Yoo are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by

1 using any means or instrumentality of interstate commerce, or of the mails, or of any facility of
 2 any national securities exchange, in connection with the purchase or sale of any security:

- 3 (a) to employ any device, scheme, or artifice to defraud;
- 4 (b) to make any untrue statement of a material fact or to omit to state a material fact
 5 necessary in order to make the statements made, in the light of the circumstances
 6 under which they were made, not misleading; or
- 7 (c) to engage in any act, practice, or course of business which operates or would
 8 operate as a fraud or deceit upon any person.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
 10 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
 11 receive actual notice of this Final Judgment by personal service or otherwise: (a) officers,
 12 agents, servants, employees, and attorneys of Defendant Investment Management and/or
 13 Defendant Yoo; and (b) other persons in active concert or participation with Defendant
 14 Investment Management, Defendant Yoo, or with anyone described in (a).

15 II.

16 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
 17 Investment Management and Defendant Yoo are permanently restrained and enjoined from
 18 violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)]
 19 in the offer or sale of any security by the use of any means or instruments of transportation or
 20 communication in interstate commerce or by use of the mails, directly or indirectly:

- 21 (a) to employ any device, scheme, or artifice to defraud;
- 22 (b) to obtain money or property by means of any untrue statement of a material fact
 23 or any omission of a material fact necessary in order to make the statements
 24 made, in light of the circumstances under which they were made, not misleading;
 25 or
- 26 (c) to engage in any transaction, practice, or course of business which operates or
 27 would operate as a fraud or deceit upon the purchaser.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
 2 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
 3 receive actual notice of this Final Judgment by personal service or otherwise: (a) officers,
 4 agents, servants, employees, and attorneys of Defendant Investment Management and/or
 5 Defendant Yoo; and (b) other persons in active concert or participation with Defendant
 6 Investment Management, Defendant Yoo, or with anyone described in (a).

7 III.

8 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
 9 Defendants Investment Management, Wealth Management, and Yoo are permanently restrained
 10 and enjoined from violating Sections 206(1) and 206(2) of the Investment Advisers Act of 1940
 11 (“Advisers Act”) [15 U.S.C. §80b-6(1), §80b-6(2)], by using any means or instruments of
 12 transportation or communication of interstate commerce or by using the mails, directly or
 13 indirectly:

- 14 (a) to employ an device, scheme, or artifice to defraud any client or prospective
 15 client;
- 16 (b) to engage in any transaction, practice, or course of business which operates as a
 17 fraud or deceit upon any client or prospective client; or
- 18 (c) to engage in any act, practice, or course of business which is fraudulent,
 19 deceptive, or manipulative.

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
 21 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
 22 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendants’
 23 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
 24 participation with Defendants or with anyone described in (a).

25 IV.

26 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
 27 Investment Management and Defendant Yoo are permanently restrained and enjoined from
 28 violating Section 206(4) of the Advisers Act [15 U.S.C. §80b-6(4)] and Rule 206-4(8) [17 C.F.R.

1 §275.206(4)-8], by using any means or instruments of transportation or communication of
 2 interstate commerce or by using the mails, directly or indirectly:

3 (a) to make any untrue statement of a material fact or to omit to state a material fact
 4 necessary to make the statements made, in the light of the circumstances
 5 under which they were made, not misleading, to any investor or
 6 prospective investor in the pooled investment vehicle; or

7 (b) to otherwise engage in any act, practice, or course of business that is fraudulent,
 8 deceptive, or manipulative with respect to any investor or prospective
 9 investor in the pooled investment vehicle.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
 11 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
 12 receive actual notice of this Final Judgment by personal service or otherwise: (a) officers,
 13 agents, servants, employees, and attorneys of Defendant Investment Management and/or
 14 Defendant Yoo; and (b) other persons in active concert or participation with Defendant
 15 Investment Management, Defendant Yoo, or with anyone described in (a).

16 V.

17 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
 18 Wealth Management and Defendant Yoo are permanently restrained and enjoined from violating
 19 Section 207 of the Advisers Act [15 U.S.C. §80b-7], by willfully omitting to state in any such
 20 registration application or report a material fact which is required to be stated therein.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
 22 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
 23 receive actual notice of this Final Judgment by personal service or otherwise: (a) officers,
 24 agents, servants, employees, and attorneys of Defendant Wealth Management and/or Defendant
 25 Yoo; and (b) other persons in active concert or participation with Defendant Wealth
 26 Management or Defendant Yoo or with anyone described in (a).

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Investment Management and Defendant Yoo are liable, on a joint and several liability basis, for disgorgement of \$889,301, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$104,632, and a civil penalty in the amount of \$150,000 pursuant to Section 21(d)(2)(C) of the Securities Act, Section 21(d)(3)(B)(iii) of the Exchange Act, and Section 209(e) of the Advisers Act. Defendant Investment Management and/or Defendant Yoo shall satisfy this obligation by paying \$1,143,933 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment.

Defendant Investment Management and/or Defendant Yoo may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant Investment Management and/or Defendant Yoo may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Investment Management and/or Chris Yoo as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant Investment Management and/or Defendant Yoo shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant Investment Management and/or Defendant Yoo relinquish all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant Investment Management and/or Defendant Yoo.

1 The Commission shall send the funds paid pursuant to this Final Judgment to the United States
2 Treasury.

3 The Commission may enforce the Court's judgment for disgorgement and prejudgment
4 interest by moving for civil contempt (and/or through other collection procedures authorized by
5 law) at any time after 14 days following entry of this Final Judgment. Defendant Investment
6 Management and/or Defendant Yoo shall pay post judgment interest on any delinquent amounts
7 pursuant to 28 U.S.C. § 1961.

8 VII.

9 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
10 Wealth Management is liable for disgorgement of \$81,729.14, representing profits gained as a
11 result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the
12 amount of \$6,611.75, and a civil penalty in the amount of \$100,000 pursuant to Section 209(e) of
13 the Advisers Act. Defendant Wealth Management shall satisfy this obligation by paying
14 \$188,340.89 to the Securities and Exchange Commission within 14 days after entry of this Final
15 Judgment.

16 Defendant Wealth Management may transmit payment electronically to the Commission,
17 which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also
18 be made directly from a bank account via Pay.gov through the SEC website at
19 <http://www.sec.gov/about/offices/ofm.htm>. Defendant Wealth Management may also pay by
20 certified check, bank cashier's check, or United States postal money order payable to the
21 Securities and Exchange Commission, which shall be delivered or mailed to:

22
23 Enterprise Services Center
24 Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

25 and shall be accompanied by a letter identifying the case title, civil action number, and name of
26 this Court; Wealth Management as a defendant in this action; and specifying that payment is
27 made pursuant to this Final Judgment.
28

Defendant Wealth Management shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant Wealth Management relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant Wealth Management. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. Defendant Wealth Management shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

VIII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that the Consents are incorporated herein with the same force and effect as if fully set forth herein, and that Defendants shall comply with all of the undertakings and agreements set forth therein.

IX.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant Yoo, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant Yoo under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant Yoo of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

X.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

XI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated this the 6th day of November, 2015.



The Honorable Richard A. Jones
United States District Judge